

A MONTHLY ELECTRONIC NEWSLETTER TO THE 41st ASSEMBLY DISTRICT (Including Agoura Hills, Calabasas, Encino, Malibu, Hidden Hills, Lake Sherwood, Oak Park, Pacific Palisades, Port Hueneme, South Oxnard, Santa Monica, Tarzana, Topanga, Westlake Village, and Woodland Hills.)

JULY 2004 ISSUE

AIR QUALITY WORKSHOP - August 6

"Last gasp... Is it too late to improve California's air quality?"

Last month, I had a save-the-date item in this newsletter for what I believe will be a very interesting and informative air quality summit on Friday, August 6, 2004, from 9:30 a.m. to noon. I will be cohosting this event with Congressman Henry Waxman, co-author of the U.S. Clean Air Act. There will be presentations on federal and state air quality issues, federal law and recent court decisions, specific challenges for the L.A. region, health implications, and an open mike from air quality experts on what can still be done. I hope that you will be able to join Congressman Waxman, Attorney General Bill Lockyer, State Senator Sheila Kuehl, Assemblymember Alan Lowenthal, and me for this important workshop.

Please note that the location has changed.

Los Angeles Pierce College 6201 Winnetka Avenue, Woodland Hills Campus Center Building Enter parking lot off Victory Boulevard and follow signs

State Budget Negotiations Ongoing

As of today, July 23, negotiations among Sacramento's "Big Five" (Senate President and Minority Leader, Assembly Speaker and Minority Leader, and Governor Schwarzenegger) are still continuing. Because California is one of only three states in the country that requires a 2/3 super-majority vote of the Legislature to pass a budget, it is always a challenging process, and has been especially so in these past several years of substantial budget shortfalls following the dot-com collapse. However, all of the various proposals to solve our financial challenges -- from both Republicans and Democrats -- carry with them serious long-term consequences which must be honestly debated.

Budget under consideration does not

"tear up the state's credit card" as the Governor promised.

- The \$15 billion deficit financing bond that the Governor promoted and that was passed by the voters in March only fills the gap left over from the 2003-04 budget. It will, however, cost the state \$1.3 billion for the next 15 years to repay. People can decide for themselves whether this is good fiscal policy.
- Education was called upon this year to make a \$2 billion "contribution" toward the deficit for the next two years, but the state will have to repay the money at that time based on an assumed economic upturn. Will the money actually be there in two years, or will it be more debt that has just been pushed off into the future?

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- \$5 billion in the Governor's proposed budget is deferrals that will have to be dealt with next year. Because of our growing population (500,000 new Californians every year, mostly from births), and the growing demand for services, we are still spending more than our revenues allow.
- Financing of local government was a major sticking point. Because the state raided local government in the early 1990s to help solve a budget shortfall at that time, they have been understandably protective of their funding now that California is again dealing with a budget gap. In times of fiscal emergency, Prop.98, which guarantees funding for K-14 education, can be suspended on a 2/3 vote of the Legislature. Local government was asked for a \$2.6 billion "contribution" for the next two years, but wanted permanent immunity thereafter from all future cuts, guaranteed in the form of a constitutional amendment. A later proposal provided for cuts only on a vote of 4/5 of the Legislature, and it would be in the form of a loan upon declaration of a fiscal emergency by the Governor. It also included a cap on how and when the Governor could declare a state fiscal emergency. With this higher threshold than the 2/3 vote to suspend education funding, we needed to decide whether spending in all parts of the state budget should be subject to the same formulation if cuts had to be made again in hard times, or if the impacts of a future shortfall could be borne more heavily by some and therefore at the expense of others?

Three issues are holding up agreement on the budget.

Final language appears close on the issue of <u>financing local government</u>. It would allow the state a <u>limited</u> ability to borrow funds from local government, to be repaid with interest, and only if the Governor declares a fiscal emergency. Discussions also include a cap on the maximum amount that could be borrowed. The current difference between the Governor's version and the Democrat legislators' version is less than \$600 million (in a state budget of \$103 billion).

Unexpectedly, two <u>non-budget</u> issues have been raised by the Republican leadership, and are being used to hold up final agreement. One involves the ability of school districts to contract out <u>school bus services</u>, which reportedly is being opposed by Laidlaw International, who stands to make millions in profits. The second non-budget issue involves <u>a legal matter</u>.

I'm confident that the "Big Five" can resolve their differences by focussing on a budget solution and <u>not</u> on November. The 2/3 vote requirement continues to rest an enormous amount of power in the hands of a minority.

Legislation Update

Below is a summary of a few of the bills I authored this year. They are still working their way through the Legislature.

<u>Cell phone recycling</u> – Circuit boards in cell phones contain myriad toxins, including arsenic, antimony, lead, and mercury, that, if improperly disposed of in landfills, can leak out and contaminate soil and groundwater. AB 2901 would require, effective July 1, 2006, that retailers take back obsolete cell phones at no cost to the consumer and provide for recycling, reuse, or proper disposal of the phones. (Sponsored by Californians Against Waste)

Status: Passed Assembly. Will be heard in Senate Appropriations on August 2.

<u>Mercury in vaccines</u> – AB 2943 would prohibit, effective Jan. 1, 2006, a pregnant woman or a child under age 3 from being injected with any mercury-containing vaccine or product containing more than FDA-defined trace levels of mercury. There are sufficient questions linking mercury with autism, neurological disorders, and other health conditions to make this phase-out prudent. Mercury has already been removed from the regular pediatric vaccines, but still is present in many other vaccines, including the flu shot. Enforcement of this bill can be suspended in emergencies that limit vaccine supplies. (Sponsored by the Sierra Club)

Status: Passed Assembly. Will be heard in Senate Appropriations on August 2.

<u>Interference with Guide Dogs</u> – AB 1801 would increase the criminal penalties for a person who permits their dog to cause injury or death to any guide, signal, or service dog. It also expands the restitution owed to the owner under current law (just veterinary bills and replacement cost if the dog is killed) to include "other reasonable costs" as ordered by a court. (Sponsored by the California Council for the Blind)

Status: On the Assembly floor for concurrence in Senate amendments.

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<u>Hybrid Cars in the HOV Lanes</u> – AB 2628 would allow up to 75,000 single-occupancy 45-mpg hybrid vehicles that meet the Air Resources Board's AT PEZ air emissions standards to use HOV lanes for a three-year trial period, provided that the Federal government grants a needed waiver. Sponsored by Governor Schwarzenegger and Treasurer Angelides)

Status: Passed Assembly. Will be heard in Senate Appropriations on August 2.

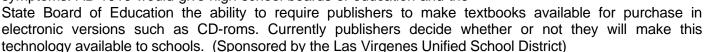
<u>Property Tax Postponements</u> – AB 1886 would allow lower-income senior citizens and disabled persons to postpone payment of property taxes, certain special assessments, and other governmental charges due on their residence. Household income for seniors and disabled persons cannot exceed \$34,000 or \$24,000, respectively, and is indexed to account for inflation. All deferred taxes would be repaid to the state with interest on sale of the residence or change of ownership. This bill will help people keep their homes. (Sponsored by State Controller Westly)

Status: Passed Assembly. In Senate Appropriations.

<u>Commercial Vehicle Emissions</u> – AB 1009 would require all commercial vehicles operating in California, including those coming across the border from Canada or Mexico, to meet U.S. Federal emissions requirements for that vehicle's make and model year.

Status: Referred to Senate Transportation Committee. No hearing date yet.

<u>Electronic Textbooks</u> – Young children may carry as much as 30 lbs. in textbooks in their backpacks, causing back pain and potential long-term symptoms. AB 1010 would give high school boards of education and the



Status: Currently on the Senate floor.

<u>Drug Pricing Disclosures</u> - Pharmacy Benefit Managers (PBMs) are middlemen who negotiate prescription drug contracts between manufacturers and their clients such as health care providers, the government (CalPERS) and large employers (Ford Motor Company, Verizon). The problem is that very little pricing transparency exists in the prescription drug industry, making it difficult for purchasers and clients to know whether they're getting a good deal or if they're paying too much for prescription drugs. Recent court cases and investigations have shown that PBMs don't always pass on the rebates they receive from drug manufacturers to the client. Also, PBMs have been found to switch patients to more expensive brand name drugs being promoted by drug manufacturers. AB 1960 will help control the rising cost of prescription drugs by requiring PBMs to provide their clients with more pricing information. This will enable employers to determine whether or not they're paying excessive prices on prescription drugs and ensure that the interests of the PBM middleman is aligned with clients and consumers. One large PBM, for example, recently settled a \$29 million lawsuit in New York based on pocketing of rebates and kickbacks from the drug manufacturers, and failure to act in the best interest of their client. (Sponsored by the California Labor Federation)

Status: Currently on the Senate floor.

Government Attorney Whistleblower Protection – AB 2713 would allow attorneys who represent governmental organizations, under specified circumstances, to refer improper activity by that governmental organization to law enforcement or to another agency to protect the public interest. It would also exempt the attorney from disciplinary action for such referral. (Sponsored by California Attorneys, Administrative Law Judges and Hearing Officers in State Employment)

Status: Currently on the Senate floor.

<u>High School Remediation</u> – Many college freshmen must take remedial courses before beginning general education courses. AB 2860 would utilize the California Standards Test (CST) taken by high school juniors to identify which students need remedial coursework, and use CST testing information to inform parents and students about remedial alternatives in their senior year of high school. (Sponsored by Ed Voice)

Status: Passed Assembly. Will be heard in Senate Appropriations on August 2.

You can read the full text of these and all other bills on the Assembly website at www.assembly.ca.gov. Just click on the Legislation link.

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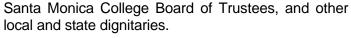
Further Worker's Comp Reforms Still Needed

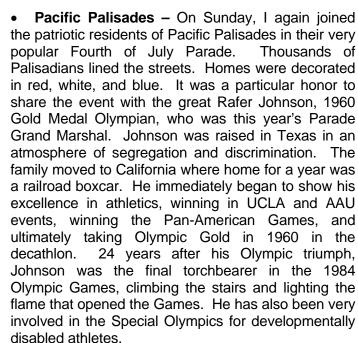
The Legislature has enacted a series of reforms and changes to the state's Worker's Comp system over the past couple of years, and Insurance Commissioner John Garamendi reports that the rates businesses pay have dropped an average of 10.38% since those legislative actions. Nevertheless, I am continuing to hear from businesses and organizations in my district whose premiums have actually gone up – sometimes way up. If you have experienced an increase in your rates, I'd like to know about it. Please e-mail your experience to me at assemblymember.pavley@assembly.ca.gov. Although I am not on the Assembly Insurance Committee, I want to let those committee members know what is happening in my district to assist them as they continue their work to grant real relief to businesses while still insuring adequate benefits to injured workers.

Independence Day Celebrations

As a former history teacher, Independence Day celebrations are something I love sharing with the communities of the 41st Assembly District.

Santa Monica – The first event was on Saturday, July 3, in the Santa Monica City College stadium.
 Roughly 10,000 people were there, with picnic spreads, enjoying entertainment, and then fireworks. State Senator Sheila Kuehl and I were both on stage along with members of the Santa Monica City Council, the





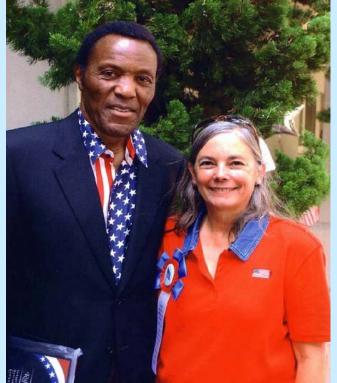


Photo by Rich Schmitt

• Calabasas -- From Pacific Palisades, I went to Calabasas for their always spectacular fireworks

display at Calabasas High School, and joined Mayor Harrison and City Councilmembers Groveman and Bojazian. I couldn't resist giving a brief history lesson on how the Continental Congress met in sweltering heat in Philadelphia 228 years ago to adopt our remarkable Declaration of Independence.

• Agoura Hills – My hometown had their fireworks show on July 11 as part of their 2004 Summer Concerts in the Park series. An estimated 3,000 residents packed the park to enjoy a live concert that preceded the fireworks display, with a great group singing golden oldies from the 1940s through the 1960s that had people up and dancing. These free concerts start at 6:00 p.m. and will continue at Chumash Park, Agoura Hills, on July 25 (The Missing Links, "A Tribute to the Monkees"), August 8 (the Agoura Hills/Las Virgenes/Westlake Village Concert Band), and wrapping up on August 22 (Soul City Survivors). Pack up your family and a picnic supper, and you're guaranteed to have a wonderful evening.

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Also Happening Around the District...

• Identity Theft Workshops – Thanks to Cal State University Channel Islands for allowing me to use their beautiful Science Auditorium for my third Identity Theft Workshop on July 15, presented in conjunction with the State Office of Privacy Protection. A panel of experts presented information on how to reduce the chance that you will be a victim of identity theft. A show of hands in the audience revealed that close to half of the attendees had either been a victim themselves, or knew someone who had been.

The next Workshops will be on:

- September 8 at the Topanga Community House, 1440 Topanga Canyon Blvd., from 6:30 to 8:00 p.m.
- September 9 at Agoura Hills City Hall, 30001 Ladyface Court, from 6:30 to 8:00 p.m.

If you would like to request a copy of a useful booklet that has information on how to protect your identity, either e-mail or call my district office.



• Tarzana Mobile District Office – I had a great turnout of Woodland Hills and Tarzana residents on Saturday, July 17 when I held a Mobile District Office at a local coffee shop to hear what's important to them. Subjects included education issues; 101 freeway maintenance; enforcement of local zoning, traffic, and parking codes; noise from helicopters landing in Woodland Hills; the state budget; air quality

issues; and many others. I learn a great deal from each one of these opportunities to come out and meet the community.

Port Hueneme SeaBee Days – My husband and I joined a huge crowd at the 17th annual SeaBee Days celebration on July 17. The SeaBees serve the U.S. Navy as a construction battalion. Since World War II, they have played an important role in the construction of bridges, temporary

housing, hospitals, and other needed infrastructure for military or humanitarian purposes all around the world. The program included a very impressive patriotic review of the SeaBees stationed at the base, interesting speeches, and ending with a flyover and machine gun demonstration. The base was opened to the public for the weekend, and included entertainment, carnival rides, military displays, and a chance to board the USS Stethem.

• Westlake Village Fire Station – Congratulations to Jeanne Harrison and the City of Westlake Village for successfully raising \$12,000 to purchase a thermal imager for the Foxfield Fire Station. Motivated by her daughter's desire to do something special for the firefighters after September 11, Jeanne spearheaded a fundraising effort to purchase this important equipment for the station. Thermal imagers, already in use at several fire stations in Ventura and L.A. Counties, detect heat, allowing firefighters to see if there is a fire behind a door, where a roof is soft, and to locate unconscious people still inside a burning building. As the parent of a firefighter, I was honored to support this wonderful project. With the City of Westlake Village providing a 50% match, the campaign quickly gained momentum, and the station is now hoping to have the imager by the end of summer.

Grants Help Replace High-Polluting Diesel Engines

Part of the state's new budget is a restructuring of funding from California's Smog Check Funding that will dedicate \$61 million annually to the Carl Moyer Memorial Air Quality Standards Attainment Program. This program provides grants to help owners of old high-polluting diesel engines upgrade to those powered by alternative fuels such as, compressed natural gas or electricity, or clean-running diesel.

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Funding will come through an adjustment to the smog abatement fee from \$6 to \$12 per year. This plan actually cuts overall costs to consumers because owners of new cars will be exempt from smog checks for up to six years instead of the present four, for a net saving of roughly \$48.5 million annually. Additionally, this plan will reduce emissions of smog-forming pollutants by 6 tons a day, save 152 lives each year, and cut associated health case costs for Californians by \$1.09 million annually. The good news for California's air is that between 1998 and 2002, the Carl Moyer Program is credited with cutting 4,650 tons of nitrogen oxide emissions per year.

Mini-Motorcycles / Pocket Bikes

You may have noticed a substantial increase in the number of these tiny gas-powered or electric-powered bikes on public streets. One recent newspaper ad by a store selling these bikes stated that the recommended age for these bikes was 12. This is wrong. The CHP has an excellent informational page on the law that applies to these bikes on their website at http://www.chp.ca.gov/html/pocketbikes.html.

Here are some frequently misunderstood facts about the operation of pocket bikes from the CHP:

- Gasoline-powered mini-motorcycles are subject to all vehicle equipment, registration, drivers license, and helmet requirements.
- These bikes <u>cannot be operated on the street</u>, but can result in a citation for having no driver's license, lack of proper motorcycle endorsement, unsafe vehicle, etc. The vehicle may be impounded, which would require tow and storage fees to be paid by the violator.
- No one under age 16 can legally operate motorized scooters, even if electric-powered. It's important to know the law that governs these new vehicles. <u>They are not toys</u>, and since some can travel at speeds up to 50 mph, it is not just illegal, but children under age 16 are at serious risk when operating them.

2004 Homeowner and Renter Assistance

Claim forms are now available to qualified homeowners and renters for the 2003 tax year. You are eligible for these refunds if, on December 31, 2003, you were: 1) age 62 or older, blind, or disabled; **and** 2) you paid at least \$50 in rent in 2003, or owned and lived in your own home; **and** your total household income was \$38,505 or less; **and** your are a U.S. citizen, a designated alien, or a qualified alien at the time that you file.

Either call my District Office, or copies of the helpful Claim Booklet, including commonly asked questions and claim forms, can be downloaded at http://www.ftb.ca.gov/individuals/hra/index.html.

Report Dangerous Drivers

We have all probably at one time or another witnessed someone weaving, drifting outside the lane, driving recklessly, or otherwise engaging in conduct on the road that poses a risk, including to others. The California Highway Patrol has a toll-free phone number which you can use to report such an incident (or for any other non-emergency situation.) If you have a cell phone, pull over to a safe place out of traffic, stop, and call **1-800-TELLCHP** with a description of the car and location. You could prevent an accident, or even save a life. This toll-free line is answered 24 hours a day, seven days a week.

And warmest congratulations and thank you to the CHP on their 75th anniversary of brave and dedicated service to all Californians as our state police.

Assemblymember Pavley's Committee Assignments

Appropriations Committee

Arts, Entertainment, Sports, Tourism, and Internet Media Committee

Budget Committee

Education Committee

Transportation Committee

Water, Parks and Wildlife Committee

Select Committee on California Ports

Select Committee on Coastal Protection

Select Committee on the Future of California's Health Select Committee on National Defense, Technology and Jobs

Select Committee on Sustainability

Select Committee on Title IX

Chair, Select Committee on Air and Water Quality Chair, Select Committee on Hydrogen and Other Alternative Fuels Chair, Budget Subcommittee #3 on Resources

Legislative Advisory Committee – Wildlife Conservation Board Legislative Advisory Committee – California Coastal Conservancy Santa Monica Mountains Conservancy Board

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If you know of anyone who you think would like to receive these newsletters, please e-mail their name, mailing address and e-mail address, and I'll be happy to add them to my list.

